

CALENDAR ITEM
C33

A 13

12/14/06

S 11

PRC 8735

W 26180

D. Oetzel

DREDGING LEASE

APPLICANT:

Chevron Products Company
940 Henseley Street
Richmond, California 94802

AREA, LAND TYPE, AND LOCATION:

Approximately 20 acres of sovereign lands in Castro Cove within
San Pablo Bay, Contra Costa County.

AUTHORIZED USE:

Dredge a maximum of 100,000 cubic yards of material for the purpose of
soil remediation. Dredged material will be disposed at the San Francisco
Bay Regional Water Quality Control Board's designated upland disposal
site, the No. 1 Oxidation Pond within the Chevron Refinery.

LEASE TERM:

Two years, beginning December 15, 2006

CONSIDERATION:

No monetary consideration will be charged as the project will result in a
public benefit. The dredged material will not be sold.

OTHER PERTINENT INFORMATION:

1. Castro Cove was listed as a candidate toxic hot spot under the Bay
Protection and Toxic Cleanup Program in 1998. Ecological risk
assessments determined that two chemicals – PAHs and mercury –
pose a potential risk to sediment-dwelling organisms. The dredging
and disposal is part of the Castro Cove Remediation project to be
performed under a Site Cleanup Order from the San Francisco Bay
Regional Water Quality Control Board.

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2. Sediment removal is to take place within a sealed sheetpile enclosure that would be in place for approximately nine months. The uppermost two and one-half feet of sediment will be removed from the area, with the exception of an approximately one and one-half acre area that is to have three feet of sediment removed and will be subsequently capped.
3. The Dredging Lease area is a portion of a Commission authorized Industrial Lease (PRC 4117.1), which includes Chevron facilities associated with its Richmond Refinery.
4. A Mitigated Negative Declaration was prepared and adopted for this project by the California Regional Water Quality Control Board San Francisco Bay Region. The California State Lands Commission's staff has reviewed such document. A Mitigation Monitoring Program was adopted by the California Regional Water Quality Control Board San Francisco Bay Region.
5. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code sections 6370, et seq. Based upon the staff's consultation with the persons nominating such lands and through the CEQA review process, it is the staff's opinion that the project, as proposed, is consistent with its use classification.

APPROVALS OBTAINED:

Regional Water Quality Control Board

FURTHER APPROVALS REQUIRED:

U.S. Army Corps of Engineers and the San Francisco Bay Conservation and Development Commission

EXHIBIT:

A. Location and Site Map

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

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CEQA FINDING:

FIND THAT A MITIGATED NEGATIVE DECLARATION AND A MITIGATION MONITORING PROGRAM WERE PREPARED AND ADOPTED FOR THIS PROJECT BY THE CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD SAN FRANCISCO BAY REGION AND THAT THE COMMISSION HAS REVIEWED AND CONSIDERED THE INFORMATION CONTAINED THEREIN.

ADOPT THE MITIGATION MONITORING PROGRAM, AS CONTAINED IN THE ENVIRONMENTAL DOCUMENT, ATTACHED HERETO.

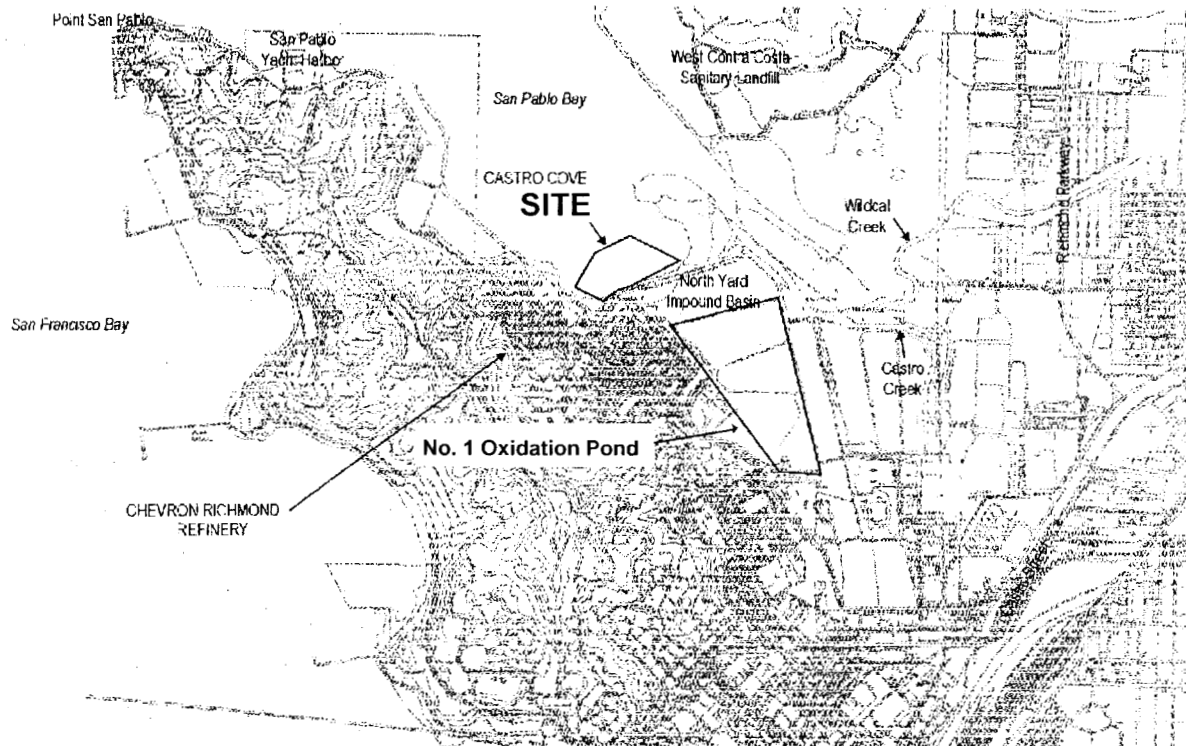
SIGNIFICANT LANDS INVENTORY FINDING:

FIND THAT THIS ACTIVITY IS CONSISTENT WITH THE USE CLASSIFICATION DESIGNATED BY THE COMMISSION FOR THE LAND PURSUANT TO PUBLIC RESOURCES CODE SECTIONS 6370, ET SEQ.

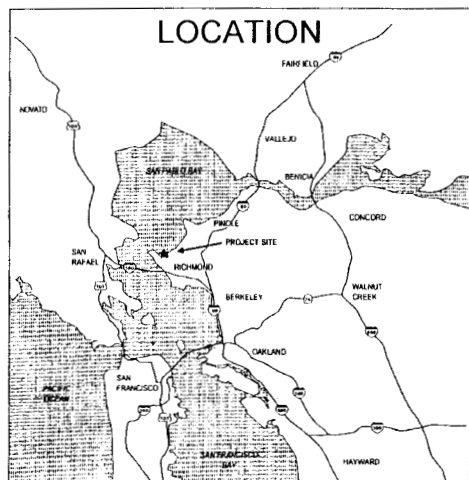
AUTHORIZATION:

AUTHORIZE THE ISSUANCE OF A DREDGING LEASE TO CHEVRON PRODUCTS COMPANY, BEGINNING DECEMBER 15, 2006, AND EXTENDING THROUGH DECEMBER 14, 2008, FOR DREDGING A MAXIMUM OF 100,000 CUBIC YARDS OF MATERIAL FROM CASTRO COVE AS SHOWN ON EXHIBIT A ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF. DREDGED MATERIALS WILL BE DISPOSED AT THE SAN FRANCISCO BAY REGIONAL WATER QUALITY CONTROL BOARD'S DESIGNATED UPLAND DISPOSAL SITE, THE NO. 1 OXIDATION POND WITHIN THE CHEVRON REFINERY. SUCH PERMITTED ACITIVITY IS CONTINGENT UPON APPLICANT'S COMPLIANCE WITH APPLICABLE PERMITS, RECOMMENDATIONS, OR LIMITATIONS ISSUED BY FEDERAL, STATE, AND LOCAL GOVERNMENTS. NO MONETARY CONSIDERATION WILL BE CHARGED AS THE PROJECT WILL RESULT IN A PUBLIC BENEFIT. THE DREDGED MATERIAL WILL NOT BE SOLD.

SITE



LOCATION



This exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by the Lessee or other parties, and is not intended to be, nor shall it be construed as a waiver or limitation of any State interest in the subject or any other property.

W 21680
Exhibit A



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CALENDAR PAGE

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MINUTE PAGE

DO 11/06